

Here's Smalley's co-operative store account to date:

Paid for stock, \$100.	
1908 purchases	\$ 285
1909 purchases	830
1910 purchases	919
1911 purchases	1,000

Total, 4 years	\$3,034
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Ten per cent dividends on purchases	\$302.40
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Six per cent dividends of stock	24.00
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	\$326.40
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Smalley still has his \$100 in

stock. He has no doubt as to the advisability of holding on to it.

Two hundred and twenty-seven of Smalley's Jackson county neighbors, also holders of a share each in the co-operative store, also have drawn ten per cent on purchases and six per cent on stock in the past four years. None of them doubts the advisability of holding onto co-operative stock.

And a whole lot of Smalley's neighbors who are not members of the company, but who have traded at the co-operative store, have been getting five per cent dividends on the stuff they have bought there. They too, are in-

PRINCIPLES OF TRUE CO-OPERATION

By E. M. Tousley,
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The three most essential fundamental principles of a co-operative organization are:



1—Equality of vote, regardless of shares held. (This would also preclude the privilege of proxy voting.)

2—Interest on shares to be limited.

3—A division of profits in proportion to patronage.

In order to apply these principles it becomes necessary to define other features which are almost as vital. These I would define as follows:

1—Allowing one-half as great dividends to non-members as to members, on patronage.

2—Unlimited membership, without class distinction; inviting all persons, high and low, rich and poor, to unite on terms of equality.

3—Division of profits among employees pro rata to the business done by them with the society, counting salary paid the same as patronage.

When these principles are applied the co-operation defined by George Jacob Holyoake will be attained;

"The equitable division of profits with the worker, capitalist, and consumer concerned in the undertaking."